



WASHOE COUNTY

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CM/ACM	<u>KS</u>
Finance	<u>DN</u>
DA	<u> </u>
Risk Mgt.	<u>N/A</u>
HR	<u>N/A</u>
Other	<u>N/A</u>

STAFF REPORT

BOARD MEETING DATE: November 12, 2014

DATE: October 3, 2014

TO: Board of County Commissioners

FROM: Clara Lawson, P.E., PTOE, Licensed Engineer
Community Services Department, 328-3603, clawson@washoecounty.us

THROUGH: Dwayne Smith, P.E., Division Director, Engineering and Capital Projects,
Community Services Department, 328-2043, desmith@washoecounty.us

SUBJECT: Adopt a Resolution initiating an amendment to the Development Code, Chapter 110 of County Code, at Article 706, Impact Fees recognizing recommended changes to the Regional Road Impact Fee program including the Capital Improvement Program and the General Administration Manual.
(All Commission Districts.)

SUMMARY

Revisions to the Regional Road Impact Fee (RRIF) the Capital Improvement Program and the General Administration Manual (GAM) have been initiated by the local jurisdictions with the Regional Transportation Commission (RTC). These revisions require updates to the Washoe County Development Code. This staff report requests the Board of County Commissioners (Board) consider adopting a Resolution to initiate a Development Code Amendment that corresponds with the proposed changes. An overview of the proposed changes to the RRIF program is attached to this report.

Washoe County Strategic Objective supported by this item: Sustainability of our financial, social and natural resources.

PREVIOUS ACTION

On October 28, 2014, the Board approved an Interlocal Agreement Regarding Regional Road Impact Fees Pursuant to NRS Chapter 277 and Chapter 278B between Washoe County, the Cities of Reno and Sparks and the Regional Transportation Commission for the continuation of the Regional Road Impact Fee Program.

BACKGROUND

In accordance with the provisions of the Interlocal Cooperative Agreement entered into by the RTC, Washoe County, the City of Reno, and the City of Sparks, the RTC is responsible for initiating periodic reviews of the Regional Road Impact Fee program and proposing modifications to the participating governments. The review process is undertaken by the RTC in

AGENDA ITEM # 7 D8

conjunction with the RRIF Technical Advisory Committee (RRIF TAC), which includes local government technical experts, development representatives from the private sector, and members of the local planning commissions.

The RTC retained TischlerBise to perform an overview of the RRIF Program and make recommendations for improvements in order to meet state law impact fee requirements, national case law standards, and current best professional practices.

The proposed revision to the RRIF General Administrative Manual (GAM) and Capital Improvement Plan (CIP) incorporate the recommendations from the RRIF Program Overview Report prepared by TischlerBise, along with input from the RRIF TAC.

The RTC Board has approved the modifications to the RRIF GAM and CIP September 19, 2014. Land use assumptions are presented to the respective Planning Commissions of the Cities of Reno and Sparks and Washoe County for review and to determine conformance to the master plan. The land use assumptions are presented to the respective elected boards of the Cities of Reno and Sparks and Washoe County for approval. Ordinances approving the capital improvement plan are presented to the respective elected boards of the Cities of Reno and Sparks and Washoe County for approval. Resolutions approving the GAM will be presented to elected boards of the Cities of Reno and Sparks and Washoe County for approval.

The Development Code, Chapter 110 of County Code, at Article 706, Impact Fees includes portions of the GAM. The Development Code amendment process provides a method of review and analysis for such proposed changes. Development Code amendments are initiated by resolution of the Washoe County Board of County Commissions or the Planning Commission. The Board is asked to consider initiating the necessary amendments to the Development Code, at Article 706, Impact Fees, in order to comply with the proposed amended GAM.

FISCAL IMPACT

There is no fiscal impact associated with this item.

RECOMMENDATION

It is recommended the Board of County Commissioners adopt a Resolution initiating an amendment to the Development Code, Chapter 110 of County Code, at Article 706, Impact Fees recognizing recommended changes to the Regional Road Impact Fee program including the Capital Improvement Program and the General Administration Manual.

POSSIBLE MOTION

Should the Board agree with the recommendation, a possible motion would be: "Move to adopt a Resolution initiating an amendment to the Development Code, Chapter 110 of County Code, at Article 706, Impact Fees recognizing recommended changes to the Regional Road Impact Fee program including the Capital Improvement Program and the General Administration Manual."

RESOLUTION

RESOLUTION INITIATING AN AMENDMENT TO THE DEVELOPMENT CODE, CHAPTER 110 OF COUNTY CODE, AT ARTICLE 706, IMPACT FEES RECOGNIZING RECOMMENDED CHANGES TO THE REGIONAL ROAD IMPACT FEE PROGRAM INCLUDING THE CAPITAL IMPROVEMENT PROGRAM AND THE GENERAL ADMINISTRATION MANUAL.

WHEREAS, the Washoe County Development Code requires that amendments to the Code be initiated by resolution of the Washoe County Board of Commissioners; and

WHEREAS, the Washoe County Board of Commissioners reviewed a recommendation, concerning potential amendments to Washoe County Code, Chapter 110, Development Code, Articles 706, Impact Fees; and

WHEREAS, such amendments would focus on proposed revisions to the Regional Road Impact Fee General Administrative Manual and Capital Improvement Plan; and

NOW, THEREFORE, be it resolved by the Board of County Commissioners of Washoe County that pursuant to Washoe County Code Section 110.818.05(a) that an amendment is initiated to the Washoe County Code, Chapter 110, Development Code, Article Article 706, Impact Fees as set forth in the agenda for the November 12, 2014, meeting of the Washoe County Board of County Commissioners, that a public hearing with the Washoe County Planning Commission on the amendment shall be held within 125 days of this Resolution's adoption date, and that this amendment is initiated without prejudice to its final disposition.

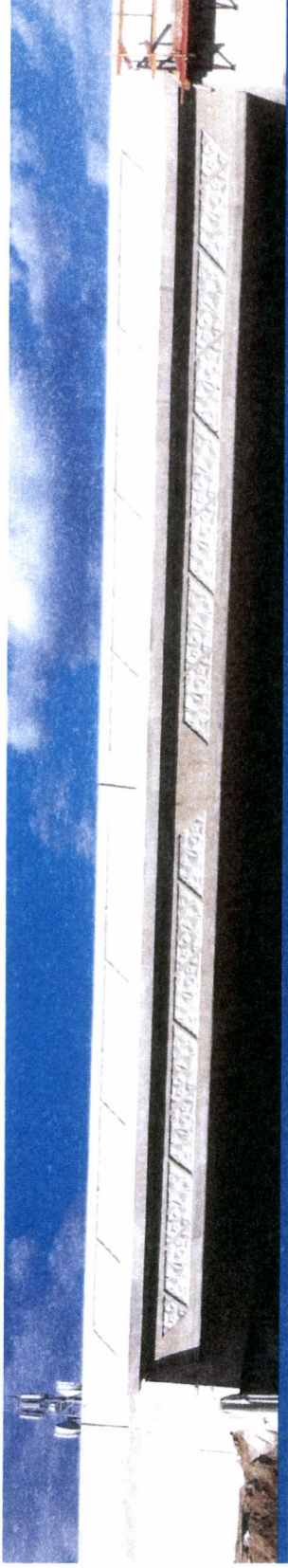
Adopted this 12th day of November, 2014

WASHOE COUNTY BOARD
OF COUNTY COMMISSIONERS

ATTEST:

County Clerk

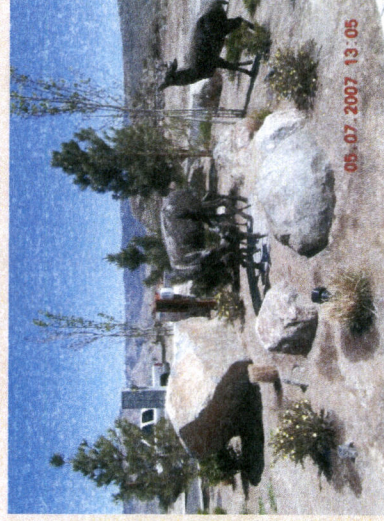
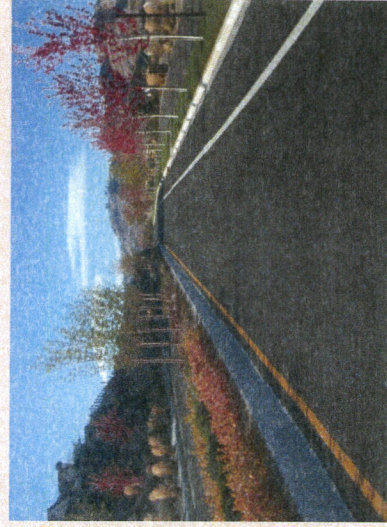
David Humke, Chairman



Regional Road Impact Fee Program Overview

5th Edition

Washoe County Commission
11/12/2014

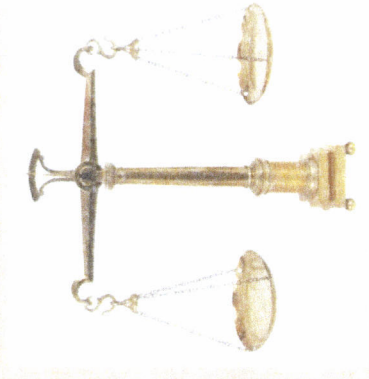


What are Impact Fees?



Funding tool for collecting the cost of building additional capacity needed due to new development

- Advantages over previous negotiated exaction methods
- Development to pay its proportionate share
- Viewed as equitable system supported by development community



Impact Fee Program Elements



- Reasonable Service Areas (rational nexus)
- Fees based on cost of facilities necessary to meet growing demand (rough proportionality)
- Cost attributable to new development
- Revenues to be used for capacity-enhancing capital facilities
- Revenues to be spent within a designated timeframe

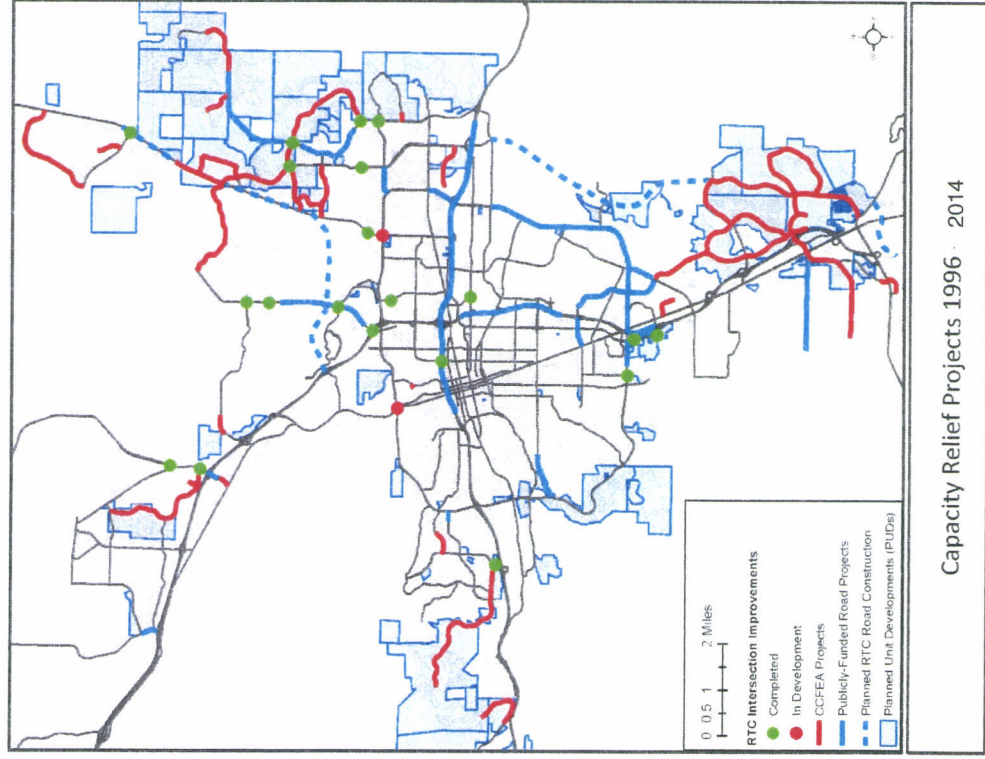
How Congestion Relief Projects are Built with Impact Fees



- Congestion relief projects are designed and built with the impact fees collected by the government entity
- Developers build roadway improvements in conjunction with their development for which they receive RRIF credits/waivers to be used to offset their impact fees owed



Regional Road Impact Fee Program 1996-2014



Roadway Improvements
1996-2014

Capacity Improvements
through the RRIF Program

\$ 85 M	RRIF Constructured
\$ 191 M	Developer Constructed
\$ 276 M	RRIF Capacity Improvements

Components of our RRIF Program



- **Nevada Revised Statute (NRS 278B)**
- **Local enacting ordinances**
Reno, Sparks and Washoe County
- **Impact Fee Cooperative Agreement (ICA)**
RTC, Reno, Sparks and Washoe County
- **Capital Improvements Program (CIP)**
Describes methodology used to establish net cost per service unit of new roadway capacity
- **General Administrative Manual (GAM)**
Guideline and procedures to administer the RRIF program
Identifies land use definitions used in assessing impact fees

Major Changes to 5th Edition

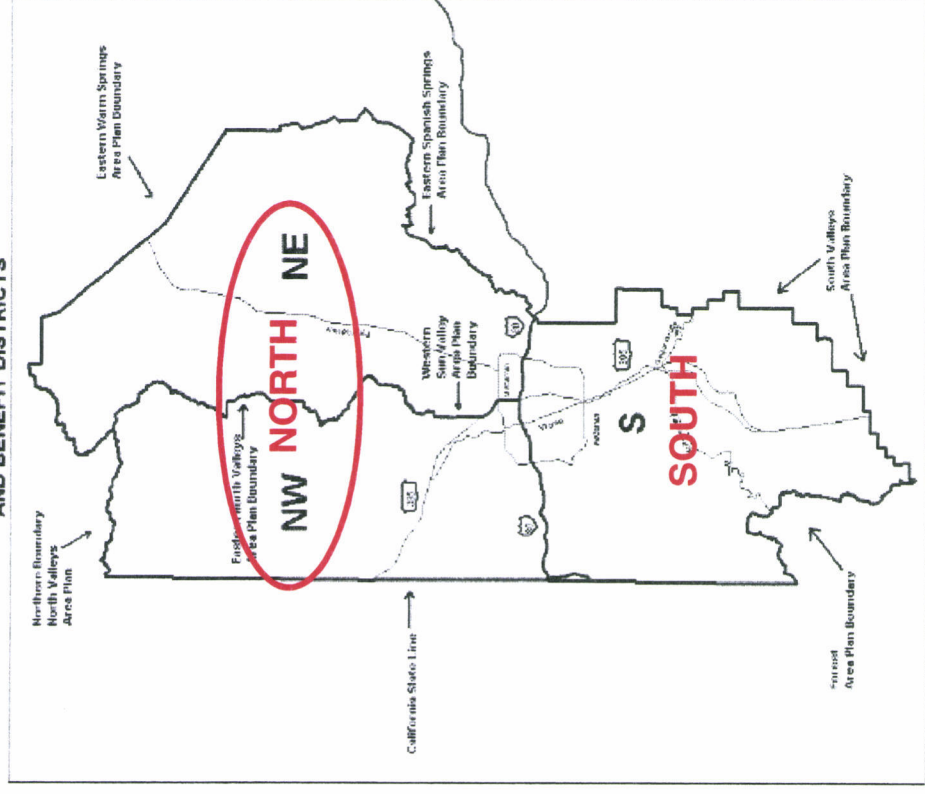


- 2 Service Areas (North vs South) vs 1 Service Area with 3 benefit districts
- Separate CIP for each Service Area
- RRIF Network – 14,000 AADT
- Simplified Fee Schedule
- Developer agreements
 - RRIF waivers limited to the development of record
 - RRIF Waivers based on dollars and do not expire
 - Impact fees paid with RRIF Waivers based on fee schedule at time of agreement
 - Cannot request Developer to build improvements greater than their impact fee
- No change to the existing RRIF credit usage

Regional Road Impact Fee Service Areas



FIGURE 1
REGIONAL ROAD IMPACT FEE SERVICE AREA
AND BENEFIT DISTRICTS



Separate CIP's and fees for each Service Area

RRIF Fees collected stay within Service Area

Existing RRIF Credits may still be used within the Benefit District they were previously earned

5th Edition Fee Schedule



REGIONAL ROAD IMPACT FEE SCHEDULE

Land Use	Unit	North Service Area		South Service Area	
		VMT	Dollars	VMT	Dollars
Residential					
Single-Family	Dwelling	14.93	\$3,784	14.67	\$4,212
Multi-Family	Dwelling	9.70	\$2,457	9.53	\$2,735
Industrial					
General Light Industrial	1,000 GFA	7.30	\$1,850	7.17	\$2,059
Manufacturing	1,000 GFA	4.00	\$1,013	3.93	\$1,128
Warehouse	1,000 GFA	3.73	\$944	3.66	\$1,051
Mini-Warehouse	1,000 GFA	2.62	\$663	2.57	\$738
Commercial/Retail					
Commercial/Retail	1,000 GFA	26.69	\$6,763	26.23	\$7,528
Eating/Drinking Places	1,000 GFA	26.69	\$6,763	26.23	\$7,528
Casino/Gaming	1,000 GFA	48.24	\$12,223	47.40	\$13,606
Office and Other Services					
Schools	1,000 GFA	10.67	\$2,703	10.48	\$3,008
Day Care	1,000 GFA	10.67	\$2,703	10.48	\$3,008
Lodging	Room	5.90	\$1,494	5.79	\$1,663
Hospital	1,000 GFA	13.85	\$3,509	13.61	\$3,905
Nursing Home	1,000 GFA	7.96	\$2,017	7.82	\$2,245
Medical Office	1,000 GFA	37.85	\$9,590	37.19	\$10,674
Office and Other Services	1,000 GFA	11.55	\$2,927	11.35	\$3,258
Regional Recreational Facility	Acre	2.39	\$605	2.35	\$673

**Regional Road
Impact Fee
(RRIF)**

5th Edition

Draft

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Changes to Credit Program



Description	Existing RRIF Program	Proposed RRIF Program
RRIF Credits/RRIF Waivers	<p>Credits issued for privately built CIP improvements and based on VMT's</p> <p>Credits can be used for payment of impact fees anywhere within the same Benefit District where credits were earned</p> <p>Credit usage is limited to 50% payment of impact fee if outside the Development of Record</p> <p>Credits expire 20 years from CCFEA Agreement</p> <p>A developer can earn more credits than his anticipated impact fees owed</p> <p>Impact fees paid with credits are based on the fee schedule in effect at the time of the building permit</p>	<p>Waivers will be issued for privately built CIP improvements and based on Dollars</p> <p>Waivers are limited to payment of impact fees within the Service Area <u>and</u> the Development of Record where waivers were earned</p> <p>Waivers cannot be used outside the Development of Record</p> <p>Waivers do not expire</p> <p>A developer <u>cannot</u> earn more waivers than this anticipated impact fees owed.</p> <p>Impact fees paid with waivers will be based on the fee schedule in effect as of the date of the Offset Agreement; If the development makes significant changes to the approved land use, remaining waivers will be reassessed at the current fee schedule</p>

Existing RRIF credits will still be used under the same rules as today

Next Steps for Adoption



**City Councils/County Commission
Information Meetings**

Oct-Nov

Planning Commission Meetings

Oct-Nov

**City Councils/County Commission
1st/2nd Readings**

Oct-Jan

5th Edition RRIF Adoption

Mar 2015

Questions?



Julie Masterpool, P.E.

RTC RRIF Program Manager

1105 Terminal Way, Suite 108

Reno, NV 89502

775-335-1897

jmasterpool@rtcwashoe.com

Clara Lawson, P.E.

Washoe County RRIF Administrator

Community Services Department

1001 East 9th Street

Reno NV 89512

775-328-3603

clawson@washoeconomy.us